

Contract Name: Cert Stewardship

KT-CT.3.5.5# - INDIVIDUAL TREES, CUT TREE MARKING (06/2009)

Individual trees to be cut are Marked with indicated color above and below stump height in all or parts of the following Payment Units. Areas of Cut Tree Marking are shown on the Contract Area Map with the symbol "CTM."

PAYMENT UNIT(S)

PAINT COLOR

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KT-ET.4 - PAYMENTS NOT RECEIVED (08/2012)

(a) Payments are due and payable on the date of issue indicated on the bill for collection. When a payment for timber cut and other charges is not received at the location designated by Forest Service by the date specified in the bill for collection, Contracting Officer will suspend all or any part of Contractor's Operations until payment or acceptable payment guarantee is received. Other charges include, but are not limited to:

- (i) Slash disposal and road maintenance deposits;
- (ii) Cooperative work at rates established by specific agreement under ET.2.1.8;
- (iii) Damages pursuant to JT.4;
- (iv) Road use fees;
- (v) Restoration of downpayment pursuant to ET.2.2;
- (vi) Periodic payments pursuant to ET.2.1.3;
- (vii) Extension Deposits pursuant to ET.2.1.7; and
- (viii) Other mandatory deposits.

(b) Failure to pay amounts due by the date specified in the bill for collection shall be considered a breach under JT.3. The 30-day notice period prescribed therein shall begin to run as of the end of business on the date specified for receipt of payments. If the performance or payment is guaranteed by surety bond, the surety will receive a copy of the written notification of breach. Demand will be made on the surety or other institution providing the guarantee or bond instrument for immediate payment 10 days after issuance of written notification of the breach.

(c) Pursuant to the Debt Collection Improvement Act of 1996, as amended, if payment is not received by Forest Service within 15 days after the date of issue indicated on the bill for collection:

(i) Simple interest shall be assessed at the Current Value of Funds Rate as established by the Secretary of the Treasury. Interest will begin to accrue as of the date of issue indicated on the initial bill for collection.

(ii) Debtors will be assessed administrative charges, in addition to the delinquent amount due. Administrative charges are those additional costs incurred by the Government in processing, handling, and collecting delinquent debts.

(iii) A penalty charge of six (6) percent per annum will be assessed on any portion of a debt delinquent more than 90 days. This penalty charge is in addition to interest and administrative charges under paragraphs (c)(i) and (c)(ii). The penalty charge shall accrue from the date of issue indicated on the bill for collection and shall be assessed on all outstanding amounts, including interest and administrative costs assessed under paragraphs (c)(i) and (c)(ii).

(iv) Payments will be credited on the date received by the Federal Depository or Collection Officer designated on the bill for collection.

(d) Forest Service remedies for Contractor's failure to make payment for timber cut and other charges when due, except for accrual of interest, suspension of all or any part of Contractor's Operations, and administrative offset, shall be stayed for so long as:

- (i) A bona fide dispute exists as to Contractor's obligation to make such payment and
- (ii) Contractor files and prosecutes a timely Claim.

KT-FT.1.2# - USE OF ROADS BY CONTRACTOR (09/2004)

Contractor's use of existing roads identified on Contract Area Map by the following codes is prohibited or subject to restrictive limitations, unless agreed otherwise:

Code	Use Limitations
X	Hauling prohibited
R	Hauling restricted
U	Unsuitable for hauling prior to completion of agreed reconstruction
P	Use prohibited
A	Public use restriction
W	Regulation waiver

Roads coded A will be signed by the Forest Service to inform the public of use restrictions. Contractor's use of roads coded R, A, or W shall be in accordance with the following restrictions:

See Restricted Road List Table.

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KT-FT.1.3# - ROAD COMPLETION DATE (09/2004)

Construction of Specified Roads shall be completed no later than 11/15/2017; except for earlier construction completion dates for roads listed below:

Road Number	Road Name	Station From	To	Completion Date
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N/A

Completion date is binding on the party that constructs road, whether Contractor or Forest Service. Contracting Officer may modify the completion date in writing to conform to the Technical Proposal under GT.3.1.1 at the request of Contractor.

When Contractor elects Forest Service construction of Specified Roads shown in contract advertisement, Forest Service may adjust construction completion date when road construction is delayed or interrupted for causes that qualify for an adjustment of the completion date of Forest Service's road construction contract. When qualifying delays or interruptions of road construction occur, Forest Service shall evaluate such occurrences and document any findings. The current status of any adjustment shall be available to Contractor on request. Promptly after the end of Normal Operating Season in which qualifying days occur, Forest Service shall give Contractor written notice of (a) number of qualifying days claimed, and (b) new construction completion dates. After all road construction is complete, Forest Service shall grant Contract Term Adjustment. Such adjustment shall be limited to road completion date delays that occurred during Normal Operating Season.

If Forest Service is responsible for road construction and the actual date of road completion is 1 year or more after the completion date stated above, Contractor may request a rate redetermination under DT.3 for remaining volume. Such request must be made within 30 days of notification that road construction has been completed. Upon receipt of such request, Forest Service shall redetermine rates using standard methods in effect on the completion date of road construction. Rates to be established shall apply to all timber removed from Contract Area after the effective date of the rate redetermination.

Forest Service shall in no way be responsible for any delay or damage caused by road contractor in performing the road construction, except such delay as may be the fault or negligence of Forest Service.

When Contractor constructs Specified Roads and requests Contract Term Adjustment, completion dates shall be adjusted by number of days that qualify for such adjustment, provided such qualifying days occur before specified construction completion date. When Contractor desires to construct an alternate facility under FT.2.6, Forest Service and Contractor shall agree, in writing, on a construction completion date for alternate facility. Contract Term Adjustment as noted above will apply. Completion date shall be adjusted where a Design Change or physical changes necessitate a modification of Specified Road construction work that increases the scope or magnitude of the required work.

If Contractor fails to complete construction of any or all Specified Roads by applicable completion date, as adjusted, Contract Term Extension shall not be granted.

As used in this Subsection, construction of a road is completed when:

(a) Contractor constructs Specified Roads and Forest Service furnishes Contractor with written notice of acceptance under GT.3.6 or

(b) Forest Service constructs road and furnishes Contractor with written notice authorizing use of road.

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Notwithstanding FT.1, Contractor shall not use a road that Contractor has elected for Forest Service to construct, until construction is completed and Forest Service furnishes Contractor with written notice authorizing use of road.

KT-FT.2.2.1# - MATERIAL SOURCES (09/2004)

Sources of local materials are designated on Plans and Contract Area Map. Forest Service assumes responsibility for the quality and quantity of material in designated sources. Contractor shall determine the equipment and work required to produce the specified product, including the selection of acceptable material that is reasonably available in the source that meets specifications. The designation of source includes the rights of Contractor to use certain area(s) for plant site, stockpiles, and haul roads.

Should the designated source, due to causes beyond the control of Contractor, contain insufficient acceptable material, Forest Service will provide another source with adjustment in accordance with FT.2.5.3.

When Contractor elects not to use designated sources, Contractor shall furnish the specified product with no adjustment in unit rates. Quality testing shall be the responsibility of Contractor. Test results shall be furnished to Forest Service.

When Contractor elects not to use designated sources and Schedule of Items lists pit development separately, cost allowance will be reduced under FT.2.5.3 when Forest Service determines the work will not be required.

When materials are subject to a weight measurement, the specific gravity or weight/volume relationship used as a basis for determination of estimated quantities shall be:

Source I N/A, Source II N/A, and Source III N/A.

Contractor may, when agreed in writing, use on the project such suitable stone, gravel, and sand, or other material found in the excavation, and will earn a cost allowance for the excavation of such materials at the corresponding contract unit price and for the pay items for which the excavated material is used. Contractor shall replace, without additional cost allowance, sufficient suitable materials to complete the portion of the work, which was originally contemplated to be constructed with such material. Contractor shall not excavate or remove any material, except that which is within the excavation limits, without written authorization from Forest Service.

When material is appraised from non-National Forest designated sources, owner charges for the material in terms of unit cost for royalties, purchase of raw materials, or finished products shall be as follows until N/A:

See Material Source Table.

Should quantity vary from that estimated, payment to owners shall be for units actually obtained. Contractor shall make arrangements with owner(s) for measurement and payment for royalties, purchase of raw materials, or finished products, as shown above.

Materials produced or processed from National Forest lands in excess of the quantities required for performance of this contract are the property of Forest Service, unless prior written agreement has been obtained to use excess material on other National Forest contracts. Forest Service is not obligated to reimburse Contractor for the cost of their production.

Materials shall be stored to assure the preservation of their quality and fitness for the work. Stored materials shall be located to facilitate their prompt inspection. Sites on Forest Service administered land, approved by Forest Service, may be used for storage purposes and for the placing of Contractor's plant equipment. All storage sites provided by Forest Service shall be restored at Contractor's expense.

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Contractor shall be responsible for making arrangements for storage on other than Forest Service administered lands.

When the construction of the portion of the project for which Temporary Roads used for hauling materials is completed, all such Temporary Roads shall be restored as nearly as practicable to their original ground profile, unless otherwise agreed in writing.

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KT-FT.3.1# - ROAD MAINTENANCE REQUIREMENTS (09/2004)

Contractor shall maintain roads in accordance with the following Contract Road Maintenance Requirements Summary:

See Contract Road Maintenance Requirements Summary Table.

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KT-FT.3.2# - ROAD MAINTENANCE DEPOSIT SCHEDULE (08/2012)

Other provisions herein notwithstanding, when Forest Service requests payment in lieu of Contractor's performance of road maintenance, Contractor shall make Required Deposits (16 USC 537) for current and/or deferred road maintenance. Such deposits are based on the estimated volume and distance hauled and Contractor's commensurate use of each road listed in the Road Maintenance Plan in KT-FT.3.1#.

Contractor and Forest Service may agree in writing on adjustment of such rates. If Contractor uses roads under jurisdiction of Forest Service other than those listed in the Road Maintenance Plan, Forest Service shall establish rates commensurate with Contractor's use of such roads.

The Required Deposits for Forest Service work in lieu of Contractor performance are N/A per CCF for recurrent maintenance, and \$19.82 per CCF for deferred maintenance.

The following table lists who Contractor will make deposits for road maintenance to, and the rate per unit of measure of the deposit. The Road Maintenance Agreement is available for inspection at the Forest Supervisor's Office.

Deposit Made To	Rate	Unit of Measure
<u>N/A</u>		

KT-FT.3.3# - SNOW REMOVAL (06/2009)

Snow removal shall be done in a manner that will preserve and protect roads, provide for safe and efficient transport of timber, and prevent erosion damage to streams and adjacent lands. In performing snow removal, Contractor shall adhere to the following performance standards, unless otherwise agreed:

Blade will be equipped with skid shoes to prevent loss of surfacing and damage to the road bed. On gravel and native surface roads, a minimum 1-inch depth compacted snow mat shall be maintained on the roadbed during blading.

Snow shall be removed from the entire road width, including turnouts.

Snow berms shall be reduced at road intersections where plowed road segments join unplowed road segments. Reduce the piled snow in the roadway to create a smooth transition from plowed road to normal snow depth.

Openings shall be created in snow berms as needed for proper drainage. Remove snow, ice, and debris from culverts and other drainage structures as needed to ensure efficient flow of water.

Tracked or cleated vehicles shall not be used for snow removal without prior written approval of Forest Service Representative.

KT-GT.2.4# - SITE SPECIFIC SPECIAL PROTECTION MEASURES (09/2004)

Special protection measures needed to protect known areas identified on Sale Area Map or on the ground include:

Cultural Resource Protection Measures: A cultural resources site is located adjacent to one Payment Unit. The Forest Service will show the Contractor the location of this site. All Contractor activities are prohibited inside this site including: equipment entry, skidding, or felling trees into the site.

Wildlife and Botanical Protection Measures: N/A

Cave Resource Protection Measures: N/A

KT-GT.3.1.3# - CUTTING SCHEDULE (06/2009)

Unless changed by written agreement, only 3, (not including Payment Unit 7) Payment Units may be released for operations at one time, and the sequence of cutting Payment Units shall be : N/A.

Unless there is agreement in writing to postpone specific requirements, all contractual requirements on a Payment Unit shall be accepted by Forest Service prior to the release of an additional Payment Unit.

KT-GT.3.1.4# - OPERATING RESTRICTIONS (06/2009)

Within Contract Area, unless changed by written agreement, the following operating requirements apply:

Restricted operations/activities:

Yearly from May 1st thru October 31st, no Contractor operations including skidding or felling allowed in Payment Units 1-2 and 5-7 on Saturdays and Sundays due to recreation use in the Indian Celina area. Contractor maintenance of their equipment on weekends is permitted during this time.

Yearly from May 1st thru October 31st, no hauling is allowed on Saturdays and Sundays.

Directional felling of Marked trees is required in Payment Unit 6 away from private ownership and in Payment Unit 1 away from the Indian Celina Road (FR 1141.000) and FR 1141.050.

Prohibited operations/activities:

N/A

KT-GT.4.1.2 - STUMP MARKS (06/2009)

Trees designated for cutting under CT.3.5 have been marked with paint at breast height and below stump height. Trees shall be felled so as to leave paint on stump.

KT-GT.6# - EROSION PREVENTION VEGETATION (06/2009)

Contractor shall establish acceptable erosion prevention vegetation on areas of ground disturbance in the Contract Area. This requirement only applies to the areas identified by the Forest Service which are a result of Contractor actions. Revegetation measures shall be applied in such a manner and at times as directed by the Forest Service to establish an acceptable grass or legume cover. Failure to achieve an acceptable ground cover may result in the requirement for a second application of seed, fertilizer, etc. Seed, lime, mulch, fertilizer, and other measures shall be applied in accordance with the Erosion Prevention Vegetation Plan attached to and made a part of this contract.

Required Work:

Contractor will seed and mulch bare mineral soil on landings and seed only bare mineral soil on skid trails and waterbars. Seeding will require 100 pounds per acre of annual wheat or 25 pounds per acre of annual ryegrass.

Annual wheat is the preferred seed, however annual ryegrass may be used when annual wheat is seasonally unavailable. Contractor must provide seed lables for Forest Service inspection prior to seeding to insure only annual seed is used.

Soil on areas to be seeded shall be left by the Contractor in a roughened condition favorable to the retention and germination of seed.

KT-GT.7# - SLASH DISPOSAL MEASURES (06/2009)

Slash resulting from Contractor's operations shall be removed from lakes, ponds, private land, right-of-way clearings for telephone lines, power lines, pipelines and other authorized facilities, and landings to be seeded under KT-GT.6#.

The tops of trees shall not be left hanging in standing trees. All trees cut for landing and other construction clearings shall be completely severed and not left leaning. Slash resulting from construction clearing shall be treated concurrent with harvest operations.

Other specific slash disposal requirements are as follows:

In Payment Unit 1 within 50 feet of the Indian Celina Road (FR 1141.000), Contractor shall lop and scatter all slash resulting from Contractor's operations to lie within 3 feet of the ground.

In Payment Units 1, 2, and 5 within 25 feet of FR 1141.050 and the Two Lakes Recreation Trail, Contractor shall lop and scatter all slash resulting from Contractor's operations to lie within 3 feet of the ground.

Slash may be above 3 feet of the ground to close skid trails and landings where designated by the Forest Service.

Contractor will remove slash resulting from Contractor's operations from the Two Lakes Recreation Trail. Contractor will restore the trail surface and drainage to presale conditions where impacted by Contractor's operations by blading or other comparable measures agreed to by the Forest Service.

Slash Disposal treatment zones are shown on the Contract Area Map with symbol "SDZ."

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KT-GT.9# - STEWARDSHIP PROJECTS (09/2004)

Performance of stewardship projects shall be in accordance with the following specifications.

Stewardship Projects

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KT-HT.2 - FIRE PRECAUTIONS (06/2009)

Unless otherwise agreed in writing between the Contractor and the Contracting Officer, the following are specific precautionary measures applicable during Contractor's Operations in Fire Precautionary Period as indicated in AT.9:

1. Contractor shall maintain Forest Service-approved spark arresting devices on any piece of equipment operated by an internal combustion motor. In addition, each piece of motorized equipment shall be equipped with a serviceable round-pointed shovel and an operational fire extinguisher of at least five-pound rating suitable for the equipment being used. All chainsaw operators will have a serviceable round-pointed shovel and one-pound multipurpose fire extinguisher readily available.
2. Contractor shall require that smoking and the building of lunch or warming fires by Contractor's employees, contractors, or subcontractors be confined to designated safe places where flammable debris has been cleared away and where, at the option of the Contractor, smoking or the building of lunch or warming fires may be permitted.
3. Adequate spark arresters shall be maintained on chimneys or stovepipes where wood or coal is being burned in an enclosed device.
4. Contractor shall furnish serviceable firefighting tools. Location, numbers, and types of tools shall be specified in the Fire Prevention and Control Plan in accordance with HT.1.

KT-IT.2.1.2 - MARKET-RELATED CONTRACT TERM ADDITION (11/2008)

The term of this contract may be adjusted when a drastic reduction in wood product prices has occurred in accordance with 36 CFR 223.52. The Producer Price Index used to determine when a drastic reduction in price has occurred is stated in AT.17. Contractor will be notified whenever the Chief determines that a drastic reduction in wood product prices has occurred. If the drastic reduction criteria specified in 36 CFR 223.52 are met for 2 consecutive calendar quarters, after contract award date, Contracting Officer will add 1 year to the contract term, upon Contractor's written request. For each additional consecutive quarter such a drastic reduction occurs, Contracting Officer will, upon written request, add an additional 3 months to the term during Normal Operating Season, except that no single 3-month addition shall extend the term of the contract by more than one year. Contracting Officer must receive Contractor's written request for a market-related contract term addition before the expiration of this contract.

No more than 3 years shall be added to a contract's term by market-related contract term addition unless the following conditions are met:

(i) The contract was awarded after December 31, 2006; and

(ii) A drastic reduction in wood product prices occurred in at least ten of twelve consecutive quarters during the contract term, but not including the quarter in which the contract was awarded.

For each qualifying quarter meeting the criteria in paragraphs (i) and (ii) of this provision, the Forest Service will, upon the Contractor's written request, add an additional 3 months during the normal operating season to the contract, except no single 3-month addition shall extend the term of a contract by more than 1 year.

In no event shall a revised contract term exceed 10 years as a result of market-related contract term addition.

Additional contract time may not be granted for those portions of the contract that have a required completion date or for those portions of the contract where Contracting Officer determines that the timber is in need of urgent removal or that timber deterioration or resource damage may result from delay.

KT-IT.2.3.1# - ADDITIONS OF NET GROWTH (06/2009)

When contract extension pursuant to IT.2.2.3 is at the request of Contractor, net growth will be calculated and added to the quantities in AT.4.3 for the elapsed full growing seasons since contract award. This applies to the total estimated quantity in AT.4.3 for all remaining Payment Units except:

(a) Payment Units for Specified Roads Released for Cutting on which clearing has begun.

(b) Two other Payment Units Released for Cutting from which timber removal from Contract Area has begun. In the event there are more than two Payment Units from which timber removal has not been completed on effective date of extension, net growth will not be added to the two units Released for Cutting from which the greatest estimated proportions of quantity have been removed.

Applicable growing season growth percents by species or species groups and products are:

Species or Species Groups	Product	Growing Season Growth Percentage	Payment Units to Which Applicable
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If the extension is more than one year, the timber quantity in AT.4.3 for all Payment Units Released for Cutting beyond one year after the date of extension shall be increased by the estimated net growth of the designated timber in the Payment Units. Growth will be calculated on the basis of full growing seasons from date of extension. The growing season is considered to be from April 1st to October 1st.

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